

Message Text

CONFIDENTIAL

PAGE 01 PARIS 19301 01 OF 02 030238Z
ACTION EUR-12

INFO OCT-01 ISO-00 ERDA-05 AID-05 CEA-01 CIAE-00
COME-00 EPG-02 DODE-00 EB-07 FPC-01 H-01 INR-07
INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-04 OES-07
SP-02 SS-15 STR-04 TRSE-00 ACDA-07 FEA-01 IO-13
EA-07 NEA-10 AGRE-00 OIC-02 SSO-00 NSCE-00 INRE-00
USIE-00 /128 W

-----043583 030249Z /61/73

O R 011800Z JUL 77
FM AMEMBASSY PARIS
TO SECSTATE WASHDC IMMEDIATE 5069
INFO ALL IEA CAPS
AMEMBASSY BRUSSELS

C O N F I D E N T I A L SECTION 1 OF 2 PARIS 19301

C O R R E C T E D C O P Y (PARA 1)

USOECD

USEEC

E.O. 11652: N/A
TAGS: ENRG, OECD
SUBJECT: JUNE 27-28 IEA GOVERNING BOARD

1. SUMMARY: IN LENGTHY SESSION JUNE 27-28, IEA GOVERNING BOARD VIRTUALLY WRAPPED UP PREPARATIONS FOR REDUCED DEPENDENCY ASPECTS OF MINISTERIAL MEETING TO BE HELD IN EARLY OCTOBER. EXCEPT FOR GENERAL RESERVATION BY ITALY AND A FEW SPECIFIC AD REFS DESCRIBED BELOW, GB AGREED TO FORWARD FOR MINISTERIAL APPROVAL A DRAFT DECISION (FULL TEXT OF WHICH TRANSMITTED SEPTEL) ENCOMPASSING A GROUP OIL IMPORT OBJECTIVE FOR 1985 OF 26 MMBD, ENDORSEMENT OF A SET OF 12 PRINCIPLES FOR ENERGY POLICY, AND STRENGTHENED NATIONAL REVIEW PROCEDURES DESIGNED, INTER ALIA, TO

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PAGE 02 PARIS 19301 01 OF 02 030238Z

MONITOR PROGRESS TOWARD ACHIEVEMENT OF THE GROUP OBJECTIVE. DECISIONN WHICH WILL BE ACCOMPANIED BY AN ENTRY IN THE MINUTES NOTING EXPLICITLY THAT ENDORSEMENT OF THE 12 PRINCIPLES IS A FIRM POLITICAL COMMITMENT BUT NOT LEGALLY BINDING, IS ALSO DESIGNED TO TAKE NOTE OF INDIVIDUAL STATEMENTS BY MINISTERS INDICATING THE POLICIES AND MEASURES THEIR GOVERNMENTS INTEND TO ADOPT TO CONTRIBUTE

TO THE GROUP OBJECTIVE.

2. GB ALSO HELD LENGTHY DISCUSSION OF NUCLEAR QUESTIONS, FEATURING A WELL RECEIVED PRESENTATION OF US POLICY BY DEPUTY ASSISTANT SECRETARY NOSENZO. DISCUSSION RESULTED IN AN AGREED SET OF CONCLUSIONS (SEPTEL) NOTING THAT IEA HAS IMPORTANT ROLE TO PLAY IN NUCLEAR ENERGY MATTERS, CALLING UPON ORGANIZATION (I.E. SLT AND CRD) TO DEVELOP SPECIFIC WORK PROGRAM IN THIS AREA AND REFLECTING CONSENSUS THAT, WHILE MODALITIES CANNOT BE DETERMINED AT PRESENT, IEA SHOULD BE PREPARED ACTIVELY TO PARTICIPATE IN AND CONTRIBUTE TO INFCE.

3. BRIEF DISCUSSION OF R&D ACTIVITIES REVEALED CONSENSUS THAT R&D HAS HIGHLY IMPORTANT ROLE IN OVERALL IEA PROGRAM AND SHOULD BE A MAJOR SUBJECT OF DISCUSSION AT MINISTERIAL MEETING. THERE WAS NO DISSENT, HOWEVER, FROM US VIEW THAT IT WOULD BE PREMATURE TO HOLD RGD CHIEFS MEETING IN CONJUNCTION WITH MINISTERIAL.

4. NEXT GB MEETING WAS SET FOR SEPTEMBER 20-21. IN ADDITION TO FINALIZING PREPARATIONS FOR MINISTERIAL AND CONTINUING DISCUSSION OF AGENCY'S NUCLEAR ROLE, THAT MEETING WILL TAKE UP ISSUES RELATED TO ENERGY DIALOGUE IN POST-CIEC SITUATION. TO PREPARE THIS DISCUSSION, IT WAS AGREED AT HEADS OF DEL LUNCH THAT AN AD HOC GROUP CHAIRED

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PAGE 03 PARIS 19301 01 OF 02 030238Z

BY BURROWS (UK) WOULD MEET AROUND JULY 15 AND AGAIN IN EARLY SEPTEMBER. END SUMMARY.

5. REDUCED DEPENDENCY PACKAGE. GB VIRTUALLY FINALIZED THIS PORTION OF PREPARATIONS FOR MINISTERIAL MEETING. EXCEPT FOR GENERAL RESERVATIONS BY ITALY AND A FEW SPECIFIC AD REF AGREEMENTS OUTLINED BELOW, GB AGREED TO FORWARD FOR MINISTERIAL APPROVAL A DRAFT DECISION ENCOMPASSING A GROUP OIL IMPORT OBJECTIVE FOR 1985 OF 26 MMBD, ENDORSEMENT OF A SET OF 12 PRINCIPLES FOR ENERGY POLICY, AND STRENGTHENED COUNTRY REVIEW PROCEDURES DESIGNED, INTER ALIA, TO MONITOR PROGRESS TOWARD ACHIEVEMENT OF THE GROUP OBJECTIVE. DECISION IS ALSO DESIGNED TO TAKE NOTE OF INDIVIDUAL STATEMENTS BY MINISTERS INDICATING THE POLICIES AND MEASURES THEIR GOVERNMENTS INTEND TO ADOPT TO CONTRIBUTE TO THE GROUP OBJECTIVE.

6. GB CONSENSUS WAS THAT WHILE MINISTERIAL DECISION SHOULD REPRESENT FIRM POLITICAL DETERMINATION TO IMPLEMENT 12 PRINCIPLES OF ENERGY POLICY IN CARRYING OUT NATIONAL ENERGY PROGRAMS, IT SHOULD NOT BE LEGALLY BINDING. AT US SUGGESTION, IT WAS AGREED THAT DECISION WOULD BE ACCOM-

PANIED BY AGREED ENTRY IN THE MINUTES MAKING THIS POINT
EXPLICIT.

7. MOST EXTENSIVE DEBATE OVER INDIVIDUAL PRINCIPLES
FOCUSSED ON NUMBER 8 DEALING WITH NUCLEAR ENERGY. MAJOR
ISSUES WERE TO WHAT EXTENT CALL FOR EXPANSION OF NUCLEAR
GENERATING CAPACITY SHOULD HIGHLIGHT ENVIRONMENTAL AND
SAFETY ISSUES AND WHETHER OR NOT REPROCESSING SHOULD BE
EXPLICITLY MENTIONED. ON FORMER POINT, CONSENSUS WAS
REACHED ON LANGUAGE INDICATING THAT EXPANSION OF NUCLEAR
POWER SHOULD BE "CONSISTENT" WITH ENVIRONMENTAL, SAFETY
AND SECURITY STANDARDS BUT WHICH AVOIDS SUGGESTING THAT
THESE CONDITIONS HAVE NOT BEEN MET FOR LIGHT WATER REACTOR.
(NETHERLANDS AND SWEDEN AGREED TO THIS LANGUAGE
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PAGE 04 PARIS 19301 01 OF 02 030238Z

ON AD REF BASIS.) REPROCESSING IS NOT EXPLICITLY MENTIONED
IN PRINCIPLE NUMBER 8 BUT GB AGREED THAT LANGUAGE REFERRING
TO BACK END OF FUEL CYCLE DID NOT EXCLUDE REPROCESSING.

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PAGE 01 PARIS 19301 02 OF 02 030308Z
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SP-02 SS-15 STR-04 TRSE-00 ACDA-07 FEA-01 IO-13
EA-07 NEA-10 AGRE-00 OIC-02 SSO-00 NSCE-00 INRE-00
USIE-00 /128 W

-----043681 030318Z /61/73

O R 011800Z JUL 77
FM AMEMBASSY PARIS
TO SECSTATE WASHDC IMMEDIATE 5070
INFO ALL IEA CAPS
AMEMBASSY BRUSSELS

CONFIDENTIAL SECTION 2 OF 2 PARIS 19301

CORRECTED COPY (PARA 11)

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8. NUCLEAR PRINCIPLE WAS APPARENT BASIS FOR GENERAL ITALIAN RESERVATION ON ENTIRE MINISTERIAL DECISION PACKAGE. IN VAGUE AND RAMBLING INTERVENTION, ITALIAN DEL APPEARED TO INDICATE THAT GOI FOUND THIS PRINCIPLE INADEQUATE BECAUSE IT DID NOT CALL FOR CONCRETE INTERNATIONAL COOPERATIVE ACTIONN INCLUDING NUCLEAR SPECIFIC FUEL SUPPLY ASSURANCES. NEW ZEALAND AND NORWAY TOOK POSITION THAT THEY COULD NOT ENDORSE PRINCIPLE URGING EXPANSION OF NUCLEAR POWER BECAUSE THEY HAVE NOT TAKEN NATIONAL DECISION TO INTRODUCE NUCLEAR GENERATING CAPACITY. IT WAS AGREED THAT NUCLEAR PRINCIPLE WOULD INCLUDE FOOTNOTE INDICATING IT DID NOT APPLY TO NEW ZEALAND AND NORWAY FOR THE ABOVE REASON.

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PAGE 02 PARIS 19301 02 OF 02 030308Z

OM THERE WAS ALSO CONSIDERABLE DEBATE OVER PRINCIPLE 6 ON COAL, JAPANESE PUSHING HARD FOR LANGUAGE CALLING ON PRODUCER COUNTRIES TO PROVIDE GREATER ASSURANCE OF EXPANDED EXPORTS. US AND CANADA ARGUED THAT LANGUAGE SHOULD CLEARLY REFLECT FACT THAT INCREASED COAL TRADE DEPENDED ON ACTION BY BOTH PRODUCERS AND POTENTIAL CONSUMERS. THERE WAS AGREEMENT WITH CHAIRMAN ROHWEDDER'S STATEMENT THAT PRINCIPLE 6 REPRESENTED ONLY A FIRST STEP TOWARD AN IEA POSITION ON COAL AND THAT THIS QUESTION WOULD INCREASINGLY ASSUME A MAJOR PLACE IN FUTURE IEA DELIBERATIONS.

10. IEA'S NUCLEAR ROLE. DISCUSSION REVEALED CONSENSUS THAT IEA HAS MAJOR ROLE TO PLAY IN NUCLEAR ENERGY MATTERS AND THAT ITS WORK SHOULD FOCUS PRIMARILY ON AREAS LISTED IN SLT CHAIRMAN'S NOTE (STATE 143683). IN WELL-RECEIVED PRESENTATION OF US NUCLEAR POLICY, DEPUTY ASSISTANT SECRETARY NOSENZO STRESSED THAT US CONTINUES TO BE COMMITTED TO USE OF NUCLEAR ENERGY AT HOME AND TO PEACEFUL NUCLEAR COOPERATION ABROAD, INCLUDING STEPS TO ENSURE THAT WE REMAIN A RELIABLE SUPPLIER OF NUCLEAR FUEL SERVICES. POINTING TO THE PROLIFERATION IMPLICATIONS OF MOVING INTO A PLUTONIUM ECONOMY, NOSENZO NOTED THAT US IS NOT ASKING OTHER COUNTRIES TO ABANDON THE BREEDER BUT BELIEVES WE HAVE AN OBLIGATION TO SEARCH FOR ALTERNATIVE FISSION CYCLES AND TECHNOLOGIES THAT WILL MEET ENERGY NEEDS WHILE REDUCING SECURITY RISK. INFCE WAS PROPOSED FOR THIS PURPOSE AND US BELIEVES IEA COULD PLAY A MAJOR ROLE IN BRINGING ITS BROAD ENERGY PERSPECTIVE TO BEAR IN THE EVALUATION. SUBSEQUENT DISCUSSION

REVEALED GREATER UNDERSTANDING OF US POLICY THAN IN PREVIOUS
IEA DISCUSSIONS BUT CONTINUED CONCERN OVER ITS POSSIBLE
IMPACT ON NATIONAL PLANS FOR DEALING WITH BACK END
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PAGE 03 PARIS 19301 02 OF 02 030308Z

OF FUEL CYCLE.

11. ROHWEDDER SOUGHT TO TURN GENERAL CONSENSUS OF THIS
DISCUSSION INTO A FORM OF MANDATE FOR FUTURE IEA WORK IN
NUCLEAR AREA, PRESSING FOR AGREEMENT TO A SET OF DRAFT
CONCLUSIONS CALLING FOR THE EXPEDITIOUS DEVELOPMENT OF A
SPECIFIC WORK PROGRAM AND INDICATING THAT IEA SHOULD
"PARTICIPATE ACTIVELY" IN INFCE. REACTION OF MOST DELS
WAS HIGHLY SKITTISH, PARTICULARLY WHEN LANTZKE SUGGESTED
THAT THIS DOCUMENT MIGHT BE FORWARDED TO MINISTERS AS BASIS
FOR THEIR DISCUSSION OF NUCLEAR ISSUES. ULTIMATELY
THERE WAS AGREEMENT ON A SOMEWHAT WATERED-DOWN DOCUMENT
(SEPTEL) CONTAINING THE OUTLINES OF A POSSIBLE WORK
PROGRAM AND LIMITING, AT INSISTENCE OF SEVERAL DELS,
STATEMENT ON INFCE TO CALL FOR IEA TO BE "PREPARED" TO
PARTICIPATE IN AND CONTRIBUTE TO INFCE. CONSENSUS WAS
THAT MINISTERS WOULD WANT TO ADDRESS NUCLEAR ISSUES BUT
NOT ON THE BASIS OF THIS DOCUMENT. FOLLOWING SUGGESTION
BY ROHWEDDER, IT IS LIKELY THAT INFORMAL "BRAINSTORMING"
MEETING OF SELECTED NUCLEAR AND GENERAL ENERGY POLICY OFFIC-
IALS WILL BE CALLED TOWARD THE END OF JULY TO BEGIN
WORK ON DEVELOPING A SPECIFIC NUCLEAR WORK PROGRAM FOR
SLT, NUCLEAR SUB-GROUP AND CRD.

12. R&D PROGRAM. GB HEARD PRESENTATION BY CRD CHAIRMAN
SCHMIDT-KEUSTER WHICH FEATURED PROGRESS REPORT ON CRD
ACTIVITIES COUPLED WITH APPEAL FOR BROADER COUNTRY
PARTICIPATION IN R&D PROJECTS AND FOR GREATER NATIONAL
ATTENTION AT HIGH POLICY LEVEL TO GIVE THE PROGRAM ENHANCED
MOMENTUM. CONSENSUS OF COMMENTS BY DELS WAS THAT R&D
IS AN EXTREMELY IMPORTANT ASPECT OF IEA PROGRAM AND
ONE WHICH MINISTERS WOULD WANT TO HIGHLIGHT AT OCTOBER
MINISTERIAL. THERE WAS NO DISSENT, HOWEVER, FROM US REP'S
VIEW THAT IT WOULD BE PREMATURE FOR R&D CHIEFS TO
MEET IN CONJUNCTION WITH MINISTERIAL. GB AGREED TO DERESTRICT
IEA/GB(77)27 CONTAINING THE PRELIMINARY REPORT OF THE
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PAGE 04 PARIS 19301 02 OF 02 030308Z

R&D STRATEGY GROUP.

13. CIEC FOLLOW-ON. AT HEADS OF DEL LUNCH, THERE WAS

GENERAL CONSENSUS THAT IEA SHOULD QUIETLY TAKE STOCK OF POST-CIEC SITUATION AND PREPARE ITSELF FOR FOLLOW-UP ACTIVITIES IN UN AND ELSEWHERE. IT SHOULD NOT, HOWEVER, LEAP BACK INTO AN ACTIVE DEMANDEUR POSTURE VIS-A-VIS AN ENERGY DIALOGUE. IT WAS AGREED THAT NEXT GB SHOULD DISCUSS THE POST-CIEC SITUATION AND THAT MINISTERS UNDOUBTEDLY WOULD WISH TO TAKE UP DIALOGUE RELATED QUESTION. IT WAS DECIDED THAT SPC WOULD NOT BE REVIVED AT THIS TIME BUT THAT AN INFORMAL AD HOC GROUP CHAIRED BY BURROWS (UK) WOULD MEET AROUND JULY 15 AND AGAIN IN EARLY SEPTEMBER TO PREPARE FOR THE NEXT GB.

MEETING DATES: NEXT GB MEETING WAS SET FOR SEPT 20-21. THERE WAS TENTATIVE AGREEMENT ON OCT 5-6 AS DATES FOR MINISTERIAL MEETING (SEE PARIS 19162 FOR SUBSEQUENT SUGGESTION THAT THIS BE CHANGED TO OCT 10-11 OR 11-12)..
SALZMAN

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Message Attributes

Automatic Decaptioning: X
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Disposition Approved on Date:
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Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
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Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1983533
Secure: OPEN
Status: NATIVE
Subject: JUNE 27-28 IEA GOVERNING BOARD
TAGS: ENRG, FR, OECD
To: STATE USEEC
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/d4f5f071-c288-dd11-92da-001cc4696bcc
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